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Fresno, California

June 22, 2005

The City Council met in special session at the hour of 1:30 p.m. in the Council Chamber, City Hall, on the day above written, to continue consideration of the FY 2006 City of Fresno Budget.

Present were Councilmembers Boyajian, Calhoun, Duncan, Perea, Sterling, Westerlund and President Dages, City Manager Souza, Assistant City Manager Ruiz, Interim Assistant City Manager Quinto, City Attorney Montoy, City Clerk Klisch, Assistant City Clerk Salazar, Budget Manager Smith and necessary staff.

(1:30 P.M. CONTINUED HEARING ON FISCAL YEAR 2006 CITY OF FRESNO BUDGET

President Dages announced the time had arrived to consider the issue and opened the hearing.

(To be heard in the following general order as time permits):

PUBLIC WORKS - CAPITAL PROJECTS (CONCLUSION)

CONVENTION CENTER

PERSONNEL DEPARTMENT

TRANSPORTATION DEPARTMENT

ECONOMIC DEVELOPMENT DEPARTMENT

GENERAL CITY PURPOSE

CDBG

REDEVELOPMENT AGENCY

PUBLIC WORKS DEPARTMENT - CAPITAL - "HOPE VI PROJECT":

Councilmember Sterling was recused from the proceedings due to a conflict of interest and returned later. Public Works Director Healey gave a brief overview of the project and responded to questions of President Dages on the funding source. A motion and second was made to approve the project. Mr. Healey responded to additional questions relative to what the \$600,000 would go towards and if infrastructure would be constructed.

On motion of Councilmember Perea, seconded by Councilmember Duncan, duly carried, RESOLVED, the Hope VI Project hereby approved, by the following vote:

Ayes :	Boyajian, Calhoun, Duncan, Perea, Westerlund, Dages
Noes :	None
Absent :	None
Recused:	Sterling

Proceedings on Public Works Capital budget continued later.

APPEARANCE BY DONNA UELAND, VOLUNTEER CENTER, REGARDING GRAFFITI PROGRAM

Donna Ueland, Executive Director of the Volunteer Center, spoke to the city's graffiti removal efforts and advised her center could help and advised of her proposal, and stated she could design a program she felt code enforcement would embrace. Councilmember Sterling returned to the meeting at 1:39 p.m. (*Note - Councilmember Boyajian later spoke to this matter and made a motion)

RESCIND/ELIMINATE MOTION #24 - Sterling/Calhoun - Proposal to fill the "in-lieu" gap.

Councilmember Sterling stated at this time she did not feel the Mayor nor Council had addressed the problem of the impending refund the public is going to demand, noted the Mayor's proposal did not include a line item for the refunds, and stated there was no money budgeted at this time to address the refunds that will be requested and rescinded her above motion stating those funds may need to be made available.

Councilmember Sterling also stated she wanted to amend motion #27 and amended it as follows:

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AMENDED MOTION #27 - **Sterling/Boyajian** - Organizations funded by the Mayor under the community investment program be defunded *with the exception of the Legion of Valor, Veteran's Day Parade and Manchester Senior Center*, and the competitive application process to be reinstituted in accordance with the format as operated in FY05.

Upon the request of City Manager Souza for clarification, Councilmember Sterling clarified the City Stewards Program and the Youth Jobs Program would be defunded with those funds put out for competitive bidding as was done in FY05.

Councilmember Boyajian spoke to the Volunteer Center's proposal made earlier and presented questions relative to when a program and budget could be provided, if people other than graffiti offenders would be used including faith-based organizations, if the volunteers would be supervised, and funding amount needed, with Ms. Ueland responding. Councilmember Boyajian stated his support for the proposal and modified a previous motion as follows:

MODIFIED MOTION #9 - Boyajian/Calhoun - Reallocate the \$200,000 funding for "faith-based" graffiti program to the Volunteer Center, conditioned upon receipt of a budget.

Councilmember Duncan stated he felt the amended motion was ill-advised and explained, and stated the Volunteer Center would be able to apply and go through the process to be part of the program under the Mayor's proposal. City Manager Souza recommended the Mayor's program as recommended continue to move forward, stated he would like an opportunity to meet with the Center if there were opportunities available, and advised he would forward the information to the planning and development department and added he did not feel programs had to be brought in at the last minute to compete with one another.

PUBLIC WORKS - CAPITAL (Continued from earlier):

**Due to equipment malfunction, the following was not tape-recorded and recording resumed later:* Mr. Healy continued with a PowerPoint presentation on the capital budget which included FY 2005 accomplishments, proposed budget by KRAs, future challenges, future goals, and a summary of the \$56,990,000 capital budget.

Mr. Healey, Streets Manager Adams and City Manager Souza responded to questions and/or comments of Councilmembers Duncan and Calhoun at length relative to request place the neighborhood clean-up schedule on the internet for public access and how long that would take, the major situation with Willow Avenue including concerns with the lack of a plan to widen Willow, the City choosing not to require the developer to put in improvements, and request for a tray memo on how the city got into that "mess", the repaving Golden State Boulevard from Ashlan to Herndon, and numerous questions relative to the department's work with the Redevelopment Agency on projects including process, what information city staff is privy to, district needs/prioritization of projects, ***Recording resumes here:** **(3 - 0)** city funds being freed up for other priority projects if the Agency constructs and pays for some projects, and need for the city and RDA to work together and leverage funds to do what is best for the city.

Councilmember Boyajian spoke to the Bankside Trail project and presented questions relative to funding, with Design Services Manager Anderson responding..

MOTION - **Boyajian/Calhoun** - Allocate \$100,000 for the Bankside Trail project.

Mr. Healey and Transportation Affairs Manager Madewell responded to questions of Councilmembers Boyajian, Perea and Westerlund relative to whether grants were received for the Bankside Trail, the 7-week program schedule, Peach Avenue widening, funding for special projects, slurry seal projects and need to address residential streets, the funding increase for space rentals, and traffic signal projects including timeline and funding.

There was no further discussion.

TRANSPORTATION DEPARTMENT - FAX:

Transportation Director Rudd introduced key staff and gave a PowerPoint presentation on his department's budget which included accomplishments, awards/recognitions, FY 2006 KRA highlights and areas, and FY 2006 challenges.

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Speaking to the department's budget were Gloria Torrez, who stated she was hearing the same things she has heard the last five years, spoke to money FAX is supposed to receive and stated it needed to stay with FAX, spoke to needed improvements and amenities, to dirty buses, to her opposition to LNG and the fueling facility, to her support for clean air diesel buses, and to the need for Mr. Rudd to fight for bus riders and funds; and an unidentified gentleman (**4 - 0**) who presented questions relative to the taxicab issue and if it would still be in place when the city takes over Handy Ride, questioned what the wages will be for operators coming over from Laidlaw, and stated his support for the budget.

Lengthy discussion ensued with Mr. Rudd and Councilmember Perea responding to questions/comments of Councilmembers Calhoun, Boyajian, Duncan, Sterling, Westerlund and President Dages relative to department commendations, concerns with Handy Ride (i.e. costs spiraling out of control and no-shows), inability to complete CMAQ projects, the downtown lunch trolley, why fare box revenues are anticipated to go up, if trolley service has been considered for the airport, reasons for increased frequencies on lines, clean air and need to provide alternatives, bus shelter improvements and priorities, training costs, recommendation to post signs at trolley stops showing routes to increase ridership, status of the Measure "C" campaign at this time, who the City representative was on the Measure "C" committee, FAX taking over Handy Ride and cost, if bus service was planned to Riverside and Running Horse, taxicab regulations and meeting FTA requirements, if there have been requests for service to Clovis/Church and Peach/Church, and request to Councilmember Perea to provide Council with updates on Measure "C". There was no further discussion.

CONVENTION CENTER:

City Manager Souza gave an overview of the department's budget including how the numbers were built in and the general impact thereof, and responded to questions/comments of Councilmember Duncan relative to needed capital improvements, the anticipated bond measure, and if a motion was needed to place proceeds in this budget

MOTION - Duncan/Calhoun - Increase the Convention Center budget by \$14 million for capital improvements, with bond proceeds as the revenue source.

Extensive discussion ensued with SMG General Manager Overfelt, Mr. Souza and Pete Weber of the Regional Jobs Initiative (RJI) responding to questions and/or comments relative to what standards/concepts the department was looking at/engaging in to enhance performance, exclusive catering (**5 - 0**), Selland Arena naming rights, additional questions on the exclusive caterer (Pardinis), funds allocated for the tourist cluster (\$100,000), the Sports Council, lack of significant increase in revenues from operations, special projects, if the reserve was still in place, the exaction fee, maintenance of the facility including contract provisions and employee expertise, catering and if there were plans for an entrepreneurial-restaurant type operation, the downtown (Grizzlies) stadium and lack of events, if funding for tourism and the Sports Council was more important than stadium marketing, stadium events that were promised, Selland Arena ranking, additional questions on the exclusive caterer, the audio/visual contract and fee paid, numerous questions on the RJI tourism cluster including if an agency has been established, what the funds would be used for, efforts undertaken, convention bookings, and what area will be promoted, if the Radisson operates the City's conference center (**6 - 0**), a catering issue that arose with an event at the conference center and if that occurs on a regular basis, Mr. Souza further clarifying issues relative on maintenance and stadium struggles, consideration of the Antique Road Show/World Poker Tournament/George Foreman-boxing events, commendation on the Sports Council, Kelly Carr and marketing Fresno, and concern with events and people receiving parking tickets and request to the city manager to consider "easing up" on issuing tickets at special events, including graduations. There was no further discussion. The budget hearing was continued to Thursday, June 23, 2005, at 1:30 p.m.

ADJOURNMENT

There being no further business to bring before the City Council, the hour of 5:01 p.m. having arrived and hearing no objections, President Dages declared the meeting adjourned to Thursday, June 23, 2005, at 1:00 p.m. for a closed session followed by the continued budget hearing.

Approved on the _____ 28th _____ day of _____ June _____, 2005.

_____/s/_____/ ATTEST: _____/s/_____

Mike Dages, Council President

Yolanda Salazar, Assistant City Clerk

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